

## Revision of the Namibia country strategic plan (2017–2022) and corresponding budget increase — For approval by vote by correspondence

	Current	Change	Revised
<b>Duration</b>	<b>July 2017– June 2022</b>	<b>June 2022– December 2023</b>	<b>July 2017– December 2023</b>
<b>Beneficiaries</b>	<b>379 340</b>	<b>156 567</b>	<b>535 907</b>
<i>(USD)</i>			
<b>Total cost</b>	<b>23 775 282</b>	<b>22 082 298</b>	<b>45 857 580</b>
Transfers	18 519 878	18 082 537	36 602 414
Implementation	2 684 868	894 774	3 579 642
Adjusted direct support costs	1 117 505	1 795 925	2 913 430
<b>Subtotal</b>	<b>22 322 251</b>	<b>20 773 235</b>	<b>43 095 486</b>
Indirect support costs <i>(6.5 percent)</i>	1 453 031	1 309 063	2 762 094

Gender and age marker:\* 2A

\* <http://gender.manuals.wfp.org/en/gender-toolkit/gender-in-programming/gender-and-age-marker/>.

### Draft decision

The Board approves by vote by correspondence the revision of the Namibia country strategic plan (2017–2022) and the corresponding budget increase of USD 22,082,298 outlined in the present document.

### Rationale

- Namibia continues to face recurrent droughts, floods, and locust and army worm invasions leading to widespread chronic food insecurity. According to the July 2020 Integrated Food Security Phase Classification (IPC) report, an estimated 430,000 people (18 percent of the population) in 8 of the country's 14 regions are experiencing severe acute food insecurity (IPC 3, crisis). The estimates are similar to those of the IPC report of November 2019, but there is increased pressure on livelihoods as a result of COVID-19. The pandemic has exacerbated the impact of three years of economic contraction and high levels of unemployment, income inequality and public debt. It is estimated that the country will lose gross domestic product of USD 503 million owing to the impact of COVID-19.<sup>1</sup>
- Namibia also suffers from a high prevalence of malnutrition, with a 24 percent stunting rate among children under 5, high neonatal mortality (20 per 1,000 live births), wasting at 6 percent, and underweight at 13 percent.<sup>2</sup> Preliminary findings from Namibia's 2021 cost of hunger study indicate undernutrition causes 16 percent of all deaths in children under 5.

<sup>1</sup> Study by the National Planning Commission and the University of Namibia (April 2020).

<sup>2</sup> Namibia demographic health survey (2013).

3. Initial results from the 2021 fill the nutrient gap study reveal that a nutritious diet is four times more expensive in rural areas than in urban areas. The cost for meeting nutritional needs increases significantly for people living with HIV/AIDS in rural areas. The study estimates that vulnerable households allocate 70 percent of their total food expenditure to grains, leading to poor dietary diversity.
4. Climate change is a “threat multiplier” that continues to weaken human capital development, leading to increased vulnerability to poverty, chronic malnutrition, HIV/AIDS and food insecurity. The impact of climate change coupled with COVID-19 is increasing the scale of food insecurity and malnutrition among vulnerable communities.
5. Smallholder farmers, 54 percent of whom are women, live in communal areas where access to land and water is challenging. Food insecurity affects smallholder farmers, who depend on rainfed agriculture and thus have limited resilience in the face of weather-related shocks. Production of food and livestock in communal areas has remained significantly low due to limited access to modern farming technology and practices, poor soil fertility, over-grazing, prolonged dry spells and limited access to markets.
6. WFP and the Office of the Prime Minister coordinated a high-level consultation meeting in December 2020 with key stakeholders, including the Food and Agriculture Organization of the United Nations (FAO), to discuss ways to accelerate progress towards zero hunger by 2030. A key result of the meeting was a request by the Government that WFP and its partners develop recommendations on how to achieve transformative and holistic food systems.

## Changes

### Strategic orientation

7. This revision introduces two new strategic outcomes:
  - Strategic outcome 4: Government institutions in Namibia have capacity to conduct analysis that supports planning aimed at achieving transformative and resilient food systems by the end of 2023.
  - Strategic outcome 5: Government and development partners in Namibia are supported by efficient and effective supply chain and digital services and expertise throughout the CSP period.
8. These strategic outcomes are aligned with the economic progression and social transformation pillars of the United Nations partnership framework for Namibia for 2019–2023 (UNPAF), which mirror the priorities set out in the fifth national development plan (covering 2017/18–2021/22) and the second Harambee Prosperity Plan (covering 2021–2025). Both national strategic plans emphasize a nuanced approach to rural transformation, with a focus on uplifting smallholder farmers while improving nutrition.
9. In addition to adding two new strategic outcomes, this revision is intended to extend WFP’s country strategic plan (CSP) for Namibia by 18 months to align with the UNPAF, which comes to an end on 31 December 2023.

### Strategic outcomes

10. This revision will provide support for an additional 156,567 people (30 percent of whom will be urban dwellers) through cash-based transfers (CBTs) under activity 5. This scale-up is justified by the results of the IPC assessment and a spike in COVID-19 that, especially in urban areas, is disrupting livelihoods and increasing food and nutrition insecurity. CBTs will be provided to vulnerable populations in rural areas affected by years of drought and with the highest prevalence of HIV/AIDS, as well as to people living in urban informal settlements whose livelihoods have been severely disrupted by COVID-19.

11. No changes will be made to the transfer value of the CBT ration, although the annual duration of assistance will be reduced from six months to three. This aligns the timing of the assistance with the lean season, when food needs are higher, especially for vulnerable communities in drought-prone areas. The reduction of cash assistance is coupled with an increased focus on investing in resilience strengthening interventions in response to government development priorities and needs.
12. Under strategic outcome 1 a new activity 6, *“Provide technical support to government entities responsible for nutrition programmes”*, is introduced. This activity is intended to address worrying trends in malnutrition. Working with the Ministry of Health and Social Service, the United Nations Children's Fund and the Namibia University of Science and Technology, WFP will spearhead an anti-stunting campaign. It will also integrate a comprehensive social behaviour change strategy into all other activities to promote and enhance demand for, access to and the availability of nutritious diets.
13. Introduced through the new strategic outcome 4 is activity 7: *“Support government entities to strengthen food systems in the country”*. In close coordination with the Ministry of Agriculture, Water and Land Reform and other line ministries, FAO and other relevant stakeholders, WFP will work with the Government to provide capacity strengthening relevant to reviewing and addressing impediments in national food systems.
14. WFP will undertake a food systems analysis to identify opportunities to strengthen links between smallholder farmers and sustainable markets, as well as related challenges. Through technical support for analytics and modelling, WFP will support the Government in the identification of opportunities for improved market access for smallholder farmers. Key government programmes such as the home-grown school feeding programme and other institutional feeding programmes will be analysed as platforms for stimulating the formation of farmer cooperatives and exploring activities such as the introduction of climate smart technologies to increase production, reduce post-harvest losses and increase the quality of food. These efforts will serve as building blocks in establishing how links to integrating broader food system resilience strategies can be introduced in the future.
15. Strategic outcome 5 presents a new activity 8, relating to on-demand service provision: *“Support government and development partners with supply chain and digital services and expertise”*. WFP will provide capacity strengthening and supply chain services for government line ministries, especially those managing social protection programmes, disaster risk management, nutrition and support for smallholder farmers. The services will include food procurement, storage and handling, customs clearance, inventory management, transport and quality assurance, along with digital solutions provided to government-led programmes.
16. Under food systems strengthening and smallholder support activities, WFP will work in partnership with the national statistics agency, international technology institutions and FAO to provide technical support to the Ministry of Agriculture, Water and Land Reform for the enhancement of national digital solutions that provide smallholder farmers with access to market and other agriculture-related information.

### **Transfer modalities**

17. A market financial assessment carried out in 2020 and a retail market assessment carried out in 2021 informed the choice of transfer modality. The former confirmed the existence of an effective financial landscape with credible financial institutions at the national and sub-national levels capable of facilitating CBTs, while the latter established that there was a strong network of retailers.

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**Partnerships**

18. In addition to expanding partnerships with government line ministries, WFP will engage with international financial institutions including the World Bank, the African Development Bank and the International Monetary Fund to lobby for complementary funding. WFP will also partner with the private sector to tap into its systems, expertise and technology to support smallholder farmers and enhance national food systems.

**Supply chain challenges**

19. Supply chains in Namibia have systemic challenges that include inadequate access to credit, quality inputs, extension services, appropriate technologies, post-harvest management systems and access to markets, particularly for smallholder farmers. National social safety net programmes, such as the drought relief programme, continue to face supply chain challenges. To remedy this, WFP will advocate the adoption of market-based programmes such as CBT and home-grown school feeding programmes. WFP will work with government institutions to promote end-to-end food system approaches in programme design and execution to enhance increased access to inputs, extension services and markets, especially for smallholder farmers.

**Accountability to affected populations, protection risks, restrictions based on gender and disability**

20. Targeted communities will be educated on the value of the equal representation and participation of men and women, including disabled and elderly individuals, in leadership positions. WFP will sensitize cooperating partners and communities on the prevention of sexual exploitation and abuse and gender-based violence. In addition, complaint mechanisms will be activated through leadership structures and through third party monitors.

**Proposed transition strategy**

21. WFP's transition strategy hinges on capacity strengthening across existing activities and activities introduced by this CSP revision. By working with and through government entities and systems and local organizations, WFP will enhance institutional capacity strengthening and human capital development. WFP and the Government will jointly review the progress of this assistance and determine the future role of WFP support through consultations on the second-generation CSP.

**Risk management**

22. Potential operational risks that could affect beneficiaries include gender-based violence, sexual exploitation and abuse; high prices of agricultural inputs leading to increased production costs that affect the competitiveness of smallholder products; and limited access to market information. To mitigate these risks WFP has integrated beneficiary protection measures in all its programming, including training of staff, relevant government institutions, NGO partners and beneficiaries. WFP will also partner with the United Nations Population Fund to help address issues of gender-based violence, early child pregnancy and sex education.
23. To mitigate the impact of possible price changes for agricultural inputs for smallholder farmers and limited access to price information, WFP will work with relevant government institutions to strengthen price dissemination mechanisms, including through mobile applications. Widespread consultation and sensitization coupled with regular monitoring and assessments will be undertaken to ensure the fair inclusion of communities.

24. Strategic risks related to Namibia's classification as an upper middle-income country continue to pose serious funding challenges. To ensure that sufficient resources are mobilized, WFP will continue to expand its donor base, engaging with new and traditional donors, including donors that have no formal presence in Namibia.

### Beneficiary analysis

TABLE 1: DIRECT BENEFICIARIES BY STRATEGIC OUTCOME, ACTIVITY AND MODALITY								
Strategic outcome	Activity	Period	Modality	Women (18+ years)	Men (18+ years)	Girls (0-18 years)	Boys (0-18 years)	Total
3	5	Current	Food	102 832	91 191	82 567	73 218	<b>349 808</b>
			CBTs	8 682	7 699	6 970	6 181	<b>29 532</b>
		Increase	Food	-	-	-	-	-
			CBTs	46 031	40 707	36 950	32 879	<b>156 567</b>
		Revised	Food	102 832	91 191	82 567	73 218	<b>349 808</b>
			CBTs	54 713	48 406	43 920	39 060	<b>186 099</b>
<b>Total (without overlap)</b>		<b>Current</b>	<b>Food</b>	<b>102 832</b>	<b>91 191</b>	<b>82 567</b>	<b>73 218</b>	<b>349 808</b>
			<b>CBTs</b>	<b>8 682</b>	<b>7 699</b>	<b>6 970</b>	<b>6 181</b>	<b>29 532</b>
		<b>Increase</b>	<b>Food</b>	-	-	-	-	-
			<b>CBTs</b>	<b>46 031</b>	<b>40 707</b>	<b>36 950</b>	<b>32 879</b>	<b>156 567</b>
		<b>Revised</b>	<b>Food</b>	<b>102 832</b>	<b>91 191</b>	<b>82 567</b>	<b>73 218</b>	<b>349 808</b>
			<b>CBTs</b>	<b>54 713</b>	<b>48 406</b>	<b>43 920</b>	<b>39 060</b>	<b>186 099</b>
			<b>All modalities</b>	<b>157 545</b>	<b>139 597</b>	<b>126 487</b>	<b>112 278</b>	<b>535 907</b>

## Transfers

<b>TABLE 2: FOOD RATION (g/person/day) or CASH-BASED TRANSFER VALUE (USD/person/day) BY STRATEGIC OUTCOME AND ACTIVITY</b>			
	<b>Strategic outcome 3</b>		
	<b>Activity 5</b>		
<b>Beneficiary type</b>	<b>General distribution for severely food insecure people</b>		<b>Support for anti-retroviral therapy clients and household members</b>
<b>Modality</b>	<b>CBTs</b>	<b>Food</b>	<b>Food</b>
Cereals	-	383	222
Pulses	-	60	37
Oil	-	21	12
Salt	-	5	-
Total kcal/day	1 804	1 804	1 042
% kcal from protein	-	9.2	6
Cash-based transfers (USD/person/day)	0.48	-	-
Number of feeding days per year	90	90	156

<b>TABLE 3: TOTAL FOOD/CASH-BASED TRANSFER REQUIREMENTS AND VALUE</b>						
	<b>Current budget</b>		<b>Increase</b>		<b>Revised budget</b>	
	<b>Total (mt)</b>	<b>Total (USD)</b>	<b>Total (mt)</b>	<b>Total (USD)</b>	<b>Total (mt)</b>	<b>Total (USD)</b>
Cereals	13 655	4 437 869	0	0	13 655	4 437 869
Pulses	2 245	1 909 096	0	0	2 245	1 909 096
Oil and fats	741	514 654	0	0	741	514 654
Mixed and blended foods	0	0	0	0	0	0
Other	40	3 435	0	0	40	3 435
<b>Total (food)</b>	<b>16 681</b>	<b>6 865 053</b>	<b>0</b>	<b>0</b>	<b>16 681</b>	<b>6 865 053</b>
Cash-based transfers		2 551 565		10 145 736		12 697 301
<b>Total (food and cash-based transfer value)</b>	<b>16 681</b>	<b>9 416 618</b>	<b>0</b>	<b>10 145 736</b>	<b>16 681</b>	<b>19 562 354</b>

## Cost breakdown

25. The country portfolio budget has been adjusted upwards consistent with the expansion of operations to include new strategic outcomes 4 and 5 and the extension of the CSP by 18 months. This includes additional staff for the management of CBTs, capacity strengthening and service delivery activities. Transfers and implementation costs related to capacity strengthening, vehicles and travel to distribution sites have also been increased.

TABLE 4: COST BREAKDOWN OF THE REVISION ONLY (USD)						
	Strategic Result 1/SDG Target 2.1	Strategic Result 5/SDG Target 17.9	Strategic Result 1/SDG Target 2.1	Strategic Result 4/SDG Target 2.4	Strategic Result 8/SDG Target 17.16	Total
	Strategic outcome 1	Strategic outcome 2	Strategic outcome 3	Strategic outcome 4	Strategic outcome 5	
Focus area	Root causes	Resilience building	Crisis response	Resilience building	Resilience building	
Transfers	1 571 192	323 475	13 571 922	2 035 677	580 270	<b>18 082 537</b>
Implementation	392 168	21 406	100 500	380 700	0	<b>894 774</b>
Adjusted direct support costs						<b>1 795 925</b>
<b>Subtotal</b>						<b>20 773 235</b>
Indirect support costs (6.5 percent)						<b>1 309 063</b>
<b>Total</b>						<b>22 082 298</b>

Abbreviation: SDG = Sustainable Development Goal.

TABLE 5: OVERALL CSP COST BREAKDOWN FOLLOWING THE REVISION (USD)						
	Strategic Result 1/SDG Target 2.1	Strategic Result 5/SDG Target 17.9	Strategic Result 1/SDG Target 2.1	Strategic Result 4/SDG Target 2.4	Strategic Result 8/SDG Target 17.16	Total
	Strategic outcome 1	Strategic outcome 2	Strategic outcome 3	Strategic outcome 4	Strategic outcome 5	
Focus area	Root causes	Resilience building	Crisis response	Resilience building	Resilience building	
Transfers	5 103 133	1 729 892	27 153 443	2 035 677	580 270	<b>36 602 414</b>
Implementation	1 272 629	705 396	1 220 917	380 700	0	<b>3 579 642</b>
Adjusted direct support costs	362 909	138 704	2 162 414	195 872	53 531	<b>2 913 430</b>
<b>Subtotal</b>	<b>6 738 670</b>	<b>2 573 992</b>	<b>30 536 773</b>	<b>2 612 250</b>	<b>633 800</b>	<b>43 095 486</b>
Indirect support costs (6.5 percent)	438 972	168 435	1 984 890	169 796	0	<b>2 762 094</b>
<b>Total</b>	<b>7 177 643</b>	<b>2 742 428</b>	<b>32 521 664</b>	<b>2 782 046</b>	<b>633 800</b>	<b>45 857 580</b>